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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 001148

SIPDIS

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TAGS: PGOV PREL TW

SUBJECT: LEGISLATIVE SPEAKER WANG JIN-PYNG ON U.S.-TAIWAN
RELATIONS AND DOMESTIC POLITICS

Classified By: AIT Director Stephen M. Young,
Reasons: 1.4 (b/d)

¶11. (C) Summary: Legislative Yuan (LY) Speaker Wang Jin-pyng (KMT) told the Director on August 5 that his recent meetings in Washington went well and he has briefed President Ma on the U.S. desire that Ma's upcoming transits be kept low-key. Wang said he believed the U.S. would try to handle arms sales notifications in a timely manner. The Director urged Wang and others in Taiwan to deal with the arms sales issue in a low-key way. Wang agreed that Taiwan needs to open its market to all U.S. beef products, but he suggested there are timing considerations and a need to educate the public. Wang expressed hope the U.S. would actively support Taiwan's efforts to participate in the WHO/WHA. On domestic politics, Wang said coordination among the presidential office, government, legislature, and party has improved somewhat but remains imperfect. End Summary.

U.S.-Taiwan Relations

¶12. (C) In a meeting with the Director on August 5, Legislative Yuan (LY) Speaker Wang Jin-pyng (KMT) discussed his recent trip to the U.S., including meetings in Washington with officials from the State and Defense Departments, NSC, and USTR. Wang noted that he had agreed with USTR officials that Taiwan needs to open its market to all U.S. beef products, but he had pointed out that issues needed to be resolved and the timing right, or else the media would criticize the government. The Director told Wang that we have been urging President Ma to build on the work of the previous administration and make a science-based decision on opening its market to all U.S. beef products. The decision should be based on science, Wang agreed, adding that the market should be opened when people understand the facts and the situation is ripe.

¶13. (C) Wang said he took away from his meetings in Washington a sense that there are still after-effects from the damage to the relationship caused by President Chen's "surprises," with the U.S. now watching the new Taiwan government. Wang said he also heard from some U.S. officials that they understood the Congressional schedule and would try to handle arms sales notifications in a timely manner. According to Wang, Taiwan needs arms for security and to provide a strong basis for future negotiations with Beijing when the agenda turns to political issues. If the U.S. does

not sell Taiwan the weapons it has previously promised, that would be a damaging blow, and others would believe the U.S. was withdrawing its support from Taiwan. Wang added that this point applied to previously agreed-upon weapons sales, not F-16C/D's.

¶ 14. (C) Wang said he suggested to Ma Ying-jeou on August 4 that President Bush would tell PRC President Hu Jintao about U.S. arms sales to Taiwan in their upcoming meeting at the Olympic opening ceremony. Wang admitted that no one in the U.S. had said to him that President Bush would be raising arms sales with Hu Jintao, but he claimed this was something "everyone knows." The Director told Wang that in fact there is no evidence for this view. He stressed the importance for Taiwan to deal with the arms sales issue in a low-key manner to avoid problems in the U.S.-Taiwan-PRC triangular relationship. Wang also said he told Ma about the U.S. insistence on a low-key transit and he advised Ma not to do anything controversial. According to Wang, Ma said he was clear about this point and would fully comply with U.S. wishes.

¶ 15. (C) In Wang's view, the U.S. and Taiwan need to restore mutual trust and increase traditional friendship. Over the past 50-60 years, the U.S. has made a major contribution to Taiwan's security and to its economic and democratic miracles. However, during the past eight years, the relationship has had problems, so there is a need to restore mutual trust. Wang also said he was clear that the U.S. approves of recent cross-Straight developments, and he hoped the U.S. would work to lobby for votes and to persuade China

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to support Taiwan's participation in the WHO/WHA.

Leadership Policy Coordination

¶ 16. (C) The Director asked Wang about whether there is adequate cooperation between the President Ma, the cabinet, party, and LY caucus. The situation has improved somewhat because the various groups have to work together, Wang observed. However, President Ma and Premier Liu made a big mistake at the beginning, believing the LY would automatically do what they wanted. In fact, the administration needs to coordinate with the party and show respect to the LY. Asked whether Ma might take up the party chairmanship, Wang said this would have both good and bad points, and the party would have to see what Ma wanted. In the past, he added, Ma did not do well as party chairman.

¶ 17. (C) According to Wang, the weekly meetings of the five top leaders (President, VP, Premier, KMT Chairman, and LY Speaker) are useful but imperfect. On August 4, for example, the group addressed the proposal to have Executive Yuan (EY) members attend KMT Central Standing Committee (CSC) meetings. Premier Liu agreed to the proposal but said he hoped KMT Chairman Wu Poh-hsiung would prevent the CSC's LY members from attacking the EY representatives. Wu asked, "How can I control them?" However, Wu said he would do his best. According to Wang, Wu has his differences with Ma.

Multiple Cross-Straight Channels

¶ 18. (C) The Director asked Wang if he saw any problem with Taiwan having multiple channels of communication with Beijing, including the party-to-party channel. According to Wang, Honorary KMT Chairman Lien Chan only talks about general principles with Beijing and does not go into concrete details. Although KMT Chairman Wu Poh-hsiung does discuss concrete matters, he does not violate the policies of the Mainland Affairs Council (MAC). Wang acknowledged, however, that the party may first discuss some issues in its channels to Beijing, with the issues later being transferred to MAC and then the Straits Exchange Foundation (SEF) for more

concrete discussion with the Chinese.

Comment

¶9. (C) Wang was clearly pleased with both the substance and level of his meetings in Washington, which add to his influence in Taipei. A wily politico and favorite of the media, Wang is not always very careful about what he says in public. Following his trip to the U.S., Wang departs this weekend for Japan. He is doubtless delighted that he can travel to places his political rival Ma Ying-jeou cannot visit.

YOUNG